

DUBLIN GRAND OPERA SOCIETY COMPANY

*Reports and Accounts
for 18 months ended
30th June 1995*

THE DUBLIN GRAND OPERA SOCIETY COMPANY

CHAIRMAN'S REPORT

THIS report covers an eighteen month period and in that time DGOS Opera Ireland presented *Rigoletto*, *Fidelio*, *La Traviata*, *Hänsel und Gretel*, *Il Trovatore* and *Don Giovanni*. These six productions, which marked the beginning of Dr. Dorothea Glatt's Artistic Directorship, were favourably received by our audiences with an average seat occupancy of 90% overall. *Hänsel und Gretel* and *Don Giovanni* were the Company's own productions with the remainder coming from continental Europe.

While operating losses continue to feature in the accounts, substantial support from RTE allowed for a surplus of IR£23,071 to be retained at the end of the period thus reducing the accumulated deficit to IR£228,141. Over the coming months the Company will embark on a major fundraising drive which, if successful will, with matching support from the Arts Council, provide much needed capital funding for the Company.

In 1994 we decided that our operating year should commence in July. We announced our 1994/95 season in September thus giving our members the option of booking the full year in advance. This change also necessitates a change in the financial year hence this report covers eighteen months.

I am very grateful to our Members and Sponsors for their on-going financial assistance and am most encouraged by the continuing support of the Arts Council, RTE and our Principal Sponsors.

The costs associated with providing opera of a high international standard in our capital are ever increasing. The standard of performance achieved on such limited resources is a tribute to all those involved at every level of the organisation.

Finally, my thanks are extended to you, the Members, for your continued goodwill and uncompromising support and encouragement.

FRANK O'ROURKE

Chairman

THE DUBLIN GRAND OPERA SOCIETY COMPANY

(A Company Limited by Guarantee and not having a Share Capital)

REPORT & ACCOUNTS

For the 18 Months to 30 June 1995

SECTION I

DIRECTORS' REPORT

The directors submit their report and financial statements for the 18 Months ended 30 June 1995.

PRINCIPAL ACTIVITIES AND FINANCIAL SUMMARY

There were three operatic seasons in the financial period under review incorporating six productions over twenty eight nights of opera at the Gaiety Theatre. A net surplus of IR£23,071 was recorded after the exceptional item mentioned in Note 4 of the attached Accounts. The Board are encouraged by the near capacity box office receipts and the continued support of our sponsors and the Arts Council. Despite this support there remains a substantial accumulated deficit of IR£228,141 at 30 June 1995 and the Board are actively considering further fund raising options with a view to addressing this deficit.

There have been no significant events affecting the company since the period end.

STATEMENT OF DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of its results for that period. In preparing these financial statements, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements have been made. Financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business. The directors are responsible for maintaining adequate accounting records and for safeguarding the assets of the company.

AUDITORS

The auditors P. Noel Leonard & Co. have indicated their willingness to continue in office in accordance with Section 160(2) Companies Act 1963.

The Accounts were approved by the Board of Directors on 25 October 1995 and were signed on its behalf by –

Frank O'Rourke, *Director/Chairman* Barry Hodkinson – *Director*

THE DUBLIN GRAND OPERA SOCIETY COMPANY

(A Company Limited by Guarantee and not having a Share Capital)

SECTION II

Accounts for 18 Months to 30 June 1995

AUDITORS REPORT

TO THE MEMBERS OF

THE DUBLIN GRAND OPERA SOCIETY CO.

(A Company Limited by Guarantee and not having a Share Capital)

We have audited the financial statements on Sections III to VI which have been prepared under the historical cost convention and on the basis of the accounting policies set out on Section V.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on Section I the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on these statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud, irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1995 and of its results for the period then ended and have been properly prepared in accordance with the Companies Acts 1963 to 1990.

The Accounts show an accumulated deficit of IR£228,141 at 30 June 1995. The Balance Sheet on Section IV reveals an excess of liabilities over assets but the financial statements have nevertheless been prepared on the Going Concern Basis. The Directors have assured us that adequate ongoing support from the Arts Council and the Sponsors will enable the company to continue to trade.

We have obtained all the information and explanations we consider necessary for the purpose of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on Section I is consistent with the financial statements.

4 Lower Dundrum Road
Dublin 14
26 October 1995

P. NOEL LEONARD & CO.
Certified Accountants
Registered Auditors

THE DUBLIN GRAND OPERA SOCIETY COMPANY

(A Company Limited by Guarantee and not having a Share Capital)

SECTION III

Profit and Loss Account For 18 Months to 30 June 1995

1993		1995
12 Mths		18 Months
IR£	Notes	IR£
324,359	BOX OFFICE RECEIPTS	537,183
	EXPENDITURE	
329,069	People Related Costs (Schedule 1)	574,716
355,527	Production Related Costs (Schedule 2)	581,922
164,903	Administration Costs (Schedule 3)	268,410
(849,499)		1,425,048 (1,425,048)
(525,140)	OPERATING DEFICIT	(887,865)
532,146	OTHER INCOME (Schedule 4)	812,080
7,006	Surplus/(Deficit) before Exceptional Item	2
—	Exceptional Item	4
7,006	NEW SURPLUS RETAINED FOR THE PERIOD	23,071
(258,217)	Opening Accumulated Deficit	(251,211)
(251,211)	ACCUMULATED DEFICIT AT PERIOD END	(228,141)

The attached Notes, number 1 - 7, form part of these Accounts.

Frank O'Rourke

Barry Hodkinson

Directors

THE DUBLIN GRAND OPERA SOCIETY COMPANY

(A Company Limited by Guarantee and not having a Share Capital)

SECTION IV

Balance Sheet as at 30 JUNE 1995

31.12.1993		Notes	30.6.95
IR£			IR£
20,353	Fixed Assets	5	14,418
Current Assets			
11,181	Cash on Hand		2,545
23,269	Debtors and Prepayments		14,834
-	Arts Council – Grant Balance Due		60,000
34,450			77,379
Current Liabilities			
75,711	Bank Overdraft		30,088
209,903	Creditors and Accruals		98,950
20,400	Arts Council – Loan	6	15,900
-	Arts Council – Deferred Grant	6	175,000
306,014			319,938
(271,564)	Net Current Liabilities		(242,559)
(251,211)	TOTAL NET LIABILITIES		(228,141)
REPRESENTED BY:			
(251,211)	Accumulated Deficit		(228,141)

The attached Notes, number 1 - 7, form part of these Accounts.

Frank O'Rourke

Barry Hodkinson

Directors

THE DUBLIN GRAND OPERA SOCIETY COMPANY

(A Company Limited by Guarantee and not having a Share Capital)

SECTION V

Notes to the Accounts for the 18 Months ended 30 June 1995

ACCOUNTING POLICIES

- (a) The attached Accounts are prepared under the historical cost convention.
- (b) Expenditure in respect of Costumes, Scenery, Sets and Props is written off fully in the year in which the expenditure is incurred, notwithstanding that they may be retained for the enduring benefit of the company.
- (c) Office Furniture and Equipment (20%) and Stage Equipment (20%) are depreciated on a straight line basis.
- (d) Where Sponsors have contributed goods and services other than in cash, the value of such sponsorship has been treated as sponsorship income with a corresponding amount allocated under the appropriate cost heading.
- (e) Patrons and friends subscriptions are accounted for on the basis of cash received in the period. Cash received from sponsors is also accounted for on a cash receipts basis.

THE DUBLIN GRAND OPERA SOCIETY COMPANY

(A Company Limited by Guarantee and not having a Share Capital)

SECTION VI

Notes to the Accounts for the 18 Month period to 30 June 1995

Note 1 COMPANIES (AMENDMENT) ACT 1986

The company is limited by guarantee without a share capital. In the opinion of the directors the Company is exempt from the provisions of the Companies (Amendment) Act 1986 under Section 2(i) (a) of the Act. The Accounts are therefore not presented in the format prescribed by that Act.

Note 2 PROFIT/(LOSS) BEFORE TAXATION

The profit/(loss) before taxation has been arrived at after charging:

	1995
	18 Mths
IR£	IR£
Nil	Nil
5,296	10,694
2,057	2,178
after crediting:	
295,500	472,000
Nil	98,856
19,492	Nil
Arts Council Grants (Note 6)	472,000
Exceptional Item (Note 4)	98,856
Income from Sale of Sets	Nil

Note 3 TAXATION

No liability to Corporation tax arises.

Note 4 EXCEPTIONAL ITEM

During the period an arrangement was reached with RTE whereby a range of benefits is being set off against amounts due to them.

Note 5 FIXED ASSETS

	Stage Equipment	Office Furniture & Equipment	Total
	IR£	IR£	IR£
COST:			
As at 1.1.1994	12,500	24,743	37,243
Additions	—	4,758	4,758
As at 30.6.1995	<u>12,500</u>	<u>29,501</u>	<u>42,001</u>
 DEPRECIATION			
At 1.1.1994	9,250	7,640	16,890
Charge for Period	1,950	8,744	10,694
As at 30.6.1995	<u>11,200</u>	<u>16,384</u>	<u>27,584</u>
 NET BOOK VALUE			
30.6.1995	<u>1,300</u>	<u>13,117</u>	<u>14,418</u>
 NET BOOK VALUE			
31.12.1993	<u>3,250</u>	<u>17,103</u>	<u>20,353</u>

Note 6 ARTS COUNCIL

During the eighteen month period under review the Company received Arts Council grant aid of IR£472,000 (12 Months 1993: IR£295,500). The total grant aid for the year ended 31 December 1995 was IR£350,000, 6/12ths of which is credited as income in the period under review.

The Arts Council has pledged its continued support to the company for 1996.

The loan from the Arts Council is interest free.

Note 7 CAPITAL

The Company is limited by guarantee and does not have Share Capital. The liability of each member cannot exceed IR£1.

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SECTION VII

Accounts for the 18 Months to 30 June 1995

SCHEDULE 1: PEOPLE RELATED COSTS

1993 12 Mths	IR£	1995 18 Mths	IR£
115,943	Artistes	238,961	
-	Audition Costs	1,691	
47,091	Conductors, Producers/Designers & Repetiteurs	85,833	
50,704	Orchestra	82,621	
32,848	Production & Stage Managers	50,358	
17,120	Travel - Artistes	21,478	
64,818	Accommodation - Artistes	91,274	
545	Ballet	2,500	
<u>329,069</u>		<u>574,716</u>	

SCHEDULE 2: PRODUCTION RELATED COSTS

1993 12 Mths		1995 18 Mths	
145,205	Theatre Hire & Related Costs	252,845	
11,534	Rehearsal Room Rent and Related Costs	16,253	
43,771	Costumes	60,459	
87,306	Scenery Sets and Props	127,544	
1,848	Royalties and Music Hire	3,698	
23,883	Freight and Storage	57,276	
5,608	Entertainment	11,178	
35,539	Publicity and Promotion	50,537	
833	Production Sundries	2,132	
<u>355,527</u>		<u>581,922</u>	

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SECTION VII

Accounts for the 18 Month period to 30 June 1995

SCHEDULE 3: ADMINISTRATION COSTS

1993 12 Mths IR£		1995 18 Mths IR£
11,880	Postage and Telephone	18,059
13,676	Printing and Stationery	21,413
4,355	Bank Interest and Charges	6,317
1,839	Office Equipment Leasing	4,319
2,689	Credit Card Commission	11,681
20,869	Professional Fees	29,371
9,867	Insurance	12,385
9,406	Office Rent and Expenses	18,416
80,727	Salaries, Fees and Expenses	125,808
2,768	Sundries	4,196
5,296	Depreciation	10,694
1,531	Fundraising Costs	5,751
<hr/> 164,903		<hr/> 268,410

SCHEDULE 4: OTHER INCOME

1993 12 Mths IR£		1995 18 Mths IR£
295,500	Arts Council Grant	472,000
36,196	Patrons and Friends Subscriptions	56,991
4,005	Members Public Appeal Fund	5,273
12,591	Brochure Profits	23,595
7,685	Donation from Ladies Committee	11,140
148,103	Sponsors	240,574
1,860	Commissions from Opera Tours	2,507
6,713	Dublin Castle Dinner – Surplus	–
19,493	Sales of Sets	–
<hr/> 532,146		<hr/> 812,080